

1.941  
58A28  
243

NORTH CAROLINA



COOPERATIVE CROP REPORTING SERVICE

#### QUESTIONS PERTINENT TO THIS ISSUE

1. COMPARE MARCH FARM PRODUCT PRICES WITH FEBRUARY..... PAGE 1
2. HOW MUCH WAS U. S. FARMERS NET INCOME IN 1948?..... 1
3. COMPARE 1948 GROSS AND NET INCOME WITH PREVIOUS YEARS..... 1
4. NAME SEVEN IMPORTANT COMMERCIAL BROILER AREAS..... 1
5. WHAT IS THE MARCH "ALL FARM PRODUCTS" INDEX FOR N. C.?..... 2
6. GIVE CURRENT PARITY PRICES OF SEVERAL MAJOR FARM PRODUCTS... 2
7. WHAT IS THE U. S. PARITY RATIO FOR MARCH? DISCUSS..... 2
8. DISCUSS THE "LIVESTOCK AND MEAT" SITUATION..... 3
9. COMPARE MARCH COMMERCIAL BROILER PLACEMENTS WITH FEBRUARY... 4
10. DISCUSS THE PRICE OUTLOOK OF DAIRY PRODUCTS, EGGS AND COTTON 4

No. 34

RALEIGH, N. C.

APRIL 5, 1949

## AGRICULTURAL PRICES AND OTHER CURRENT ITEMS

### AGRICULTURE ESTIMATES

The article below is the fifth in a series explaining the development of official Agriculture Statistics.

#### 5. THE WEEKLY BROILER REPORT

On Saturday of each week, hatcherymen and broiler chick dealers throughout the important Chatham and Wilkes commercial broiler areas of North Carolina find themselves filling out their weekly broiler questionnaires. After answering the questions, the reports are then mailed to the office of the Agricultural Statistician. In a similar manner, reports are prepared each week in other commercial broiler areas of the nation. The job of collecting, compiling and publishing these weekly reports is another important function of "Agricultural Estimates".

Among the nation's commercial areas for which weekly reports are prepared are the Chatham-Wilkes, Del-Mar-Va, Shenandoah Valley, North Georgia, East Connecticut, Arkansas and Texas.

Total reported placements of broiler chicks in the 7 areas in 1948 were 242 millions. In 1947, the 9 states in which these areas are located accounted for about 68 percent of total production. Production of commercial broilers for the U. S. during 1948 was of near-record volume.

On Wednesday of each week, complete reports on broiler operations during the previous calendar week for each area are published. Each weekly report gives a summary of eggs set, chicks hatched and chicks placed with broiler producers. In addition, reports in some of these areas show prices received by local producers for hatching eggs, prices paid to hatcheries for baby chicks, and other items of interest to broiler producers.

The primary purpose of the weekly broiler report is to maintain current and historic records on broiler operations which in turn help the producer and hatcheryman to look ahead and regulate their own operations. Thus, the weekly report can be used as an aid in avoiding surpluses and shortages which often occur in the broiler industry.

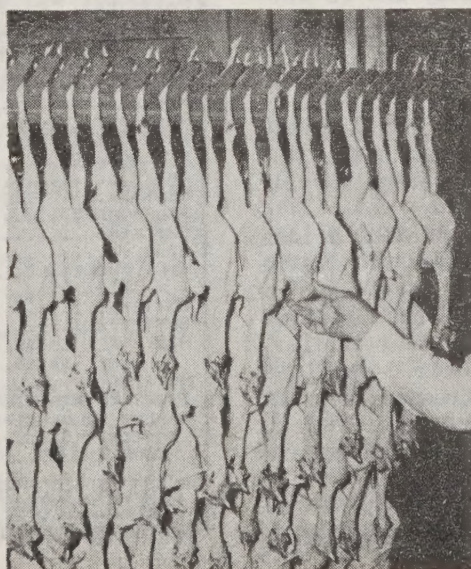
### FARM PRODUCT PRICES UP

The general level of prices received by North Carolina farmers for products sold during mid-March showed a slight increase compared with prices received the month before. However, the gains in prices during the month did not completely off-set losses which occurred earlier in the year. Prices received by farmers during mid-March, as well as during other recent months, were considerably lower than during the corresponding period of a year earlier. The trend in prices received for farm products has generally been downward since farmers started selling their 1948 crops.

During the middle of March, most grains sold by farmers brought slightly higher prices than during mid-February. However, prices received for grains during mid-March were generally still lower than at the beginning of the year.

Likewise, meat animal prices showed signs of strengthening during the month ending March 15. Prices of beef cattle and lambs made substantial gains while veal calves and sheep remained unchanged. Hogs were up slightly. Prices received for chickens partially regained some of the sharp drop which came about during the month ending February 15. Egg prices continued to decline.

### BROILERS - A GROWING INDUSTRY



### FARMERS NET LESS IN 1948

The realized net income of farm operators dropped last year for the first time in a decade and the assets of agriculture continued to increase, but at a slower rate, according to preliminary estimates.

The drop in farm operator net income was due to the rapid rise in production costs. Farmers grossed over 35.5 billion dollars last year, a new record. After production expenses were paid they had 17.4 billion dollars left, 2 percent less than in 1947.

Net income from farming to all persons on farms - realized net income of farm operators, plus wages paid to farm workers living on farms, plus or minus the net change in inventory - increased again in 1948. Persons on farms also received more from nonfarm sources such as wages and investments.

Net income from farming per person on farms averaged \$716 in 1948, 6 percent more than in 1947. Income per person on farms from all sources was \$909 compared with \$851 in 1947. Income per person, not on farms, averaged \$1,569 in 1948, up 8 percent.

Assets of American agriculture totaled about 130 billion dollars at the beginning of 1949, early estimates of "The Balance Sheet of Agriculture" indicates. About half the 8-billion-dollar increase over a year earlier resulted from higher values for real estate. Higher value for farm machinery, live-stock, and motor vehicles accounted for most of the rest.

Farmers' cash on hand or in the bank went down in 1948, the first decline since before the war. The change was small and farmers invested more in United States saving bonds. However, it may indicate the start of a downward trend in farmers' holding of liquid assets since their costs are increasing faster than their income.

Farm-real-estate debt rose about 260 million dollars in 1948 and is the highest since 1944. Non-real-estate debt owed to principal institutions-excluding loans held or guaranteed by CCC - also was higher than in 1947.

Last year, farmers netted \$2.72 from their farming operations for every dollar they received in 1941. But their net income would buy only about 30 percent more family living items than it would the year we entered the war.



## N. C. PRICES RECEIVED INDEX UP 4 POINTS

The "All Farm Products" index of prices received by North Carolina farmers increased 4 points during the month ended March 15. The index of 243, as of March 15, is 17 points lower than March 15, 1948 and March 15, 1947, but 43 points above March 15, 1946 (see table below).

Although the "All Farm Products" index of prices received increased, all groups of commodities did not increase. The poultry commodity group decreased 9 points and the dairy commodity group decreased 1 point. The meat animals index increased 12 points and the miscellaneous products group increased 13 points. These two commodity groups accounted for the major portion of the increase in the "All Farm Products" index. The increase in the meat animals index was accounted for primarily by an increase of \$1.10 in the price of beef cattle. Advances in price were also made in hogs and lambs.

The meat animals index is the only group of commodities which exceeds the index as of March 15 last year. With the exception of wool all items in the miscellaneous products commodity group increased during the month ended March 15.

The ratio of prices received by N. C. farmers to Prices paid by U. S. farmers as of March 15 at 99 was 1 point higher than February and the same as January. The ratio on the same date last year was 105, which means that prices received have decreased relatively more than prices paid.

### NORTH CAROLINA AND UNITED STATES INDEX NUMBERS (N. C. PRICES RECEIVED 1909-14 100 PERCENT)

COMMODITY	FEB. 15 1949	MAR. 15 1949	MAR. 15 1948	MAR. 15 1947	MAR. 15 1946
<b>N. C. INDEX NUMBERS</b>					
ALL FARM PRODUCTS....	239	243	260	280	200
COTTON & COTTONSEED..	241	243	267	275	191
GRAINS.....	177	178	223	213	167
MEAT ANIMALS.....	339	351	345	338	228
POULTRY.....	225	216	220	226	175
DAIRY PRODUCTS.....	236	235	237	223	177
MISCELLANEOUS.....	235	248	252	237	243
RATIO OF PRICES RECEIVED TO PAID*..	98	99	105	115	111
<b>U. S. INDEX NUMBERS</b>					
PRICES RECEIVED.....	258	261	283	280	209
PRICES PAID.....	245	246	247	226	180
RATIO OF PRICES RECEIVED TO PAID....	105	106	115	124	116

Ratio of N. C. prices received to U. S. prices paid.

## U. S. PRICES RECEIVED RECOVER SLIGHTLY

Following last month's 10-point drop, the index of prices received by farmers recovered slightly and in mid-March was 261 percent of its August 1909-July 1914 average, up 3 points (about 1 percent) from mid-February, but 22 points (8 percent) below a year ago.

Meanwhile, the parity index (index of prices paid by farmers, including interest and taxes) was up 1 point (nearly one-half percent) to 246, following last month's 3-point decline, and is now 2 points (about 1 percent) below a year ago.

As a result of a larger increase in the index of prices received than in the parity index, the parity ratio (ratio of prices received by farmers for things they sell to prices paid by farmers for things they buy) rose 1 point from mid-February to 106-down 8 points from a year earlier.

The increase in the index of prices received resulted mainly from higher meat animal prices. Increases in grain and fruit prices also contributed to the higher index. Prices for some other commodity groups, mainly dairy and truck crops, were down.

The higher parity index is largely the result of in-

creases in food prices and in feeds. Higher meat prices more than offset decreases in family living items such as clothing, furniture, and building materials. Among production items, slightly lower motor vehicle and seed prices failed to offset higher prices for feed.

## COMPARISON OF U. S. PRICES RECEIVED BY FARMERS AND PARITY PRICES

COMMODITY	PRICES RECEIVED BY FARMERS		PARITY OR COMPARABLE PRICES		ACTUAL PRICES AS PERCENTAGE OF PARITY	
	FEB. 15 1949	MAR. 15 1949	FEB. 15 1949	MAR. 15 1949	FEB. 15 1949	MAR. 15 1949
	- DOLLARS -		- DOLLARS -		- PERCENT -	
COTTON, LB.....	.291	.287	.304	.305	96	94
WHEAT, BU.....	1.94	1.98	2.17	2.17	89	91
CORN, BU.....	1.12	1.18	1.57	1.58	71	75
OATS, BU.....	.689	.70	.98	.98	70	71
BARLEY, BU.....	1.04	1.06	1.52	1.52	68	70
RYE, BU.....	1.23	1.18	1.76	1.77	-	67
BEEF CATTLE, CWT.	18.70	20.50	13.30	13.30	141	154
HOGS, CWT.....	19.60	20.00	17.80	17.90	110	112
LAMBS, CWT.....	21.50	23.60	14.40	14.50	149	163
CHICKENS, LB.....	.295	.30	.279	.28	106	107
EGGS, DOZ.....	.418	.41	.527	.529	87	78
MILK, WHOLE, CWT.	4.33	4.08	3.92	3.94	108	104

## FARM PRODUCT PRICES INCREASE SLIGHTLY

Prices received by North Carolina farmers for most farm commodities increased during the month ended March 15. The increase in prices received during the month raised prices to about the level of mid-January. Hence, the increase in prices received as of mid-March more or less offset the decrease from January to February.

Corn and small grains, except barley and rye increased slightly as of mid-March. Prices received for soybeans, cowpeas and peanuts were higher than February.

Chickens advanced two cents per pound and eggs decreased 4 cents per dozen. Milk retailed by farmers remained the same while wholesale milk decreased 10 cents per hundred weight. Loose and baled hay increased \$1.80 and \$1.50 per ton, respectively. Potatoes, sweet potatoes and apples also increased in price as of mid-March.

## PRICES RECEIVED BY FARMERS MAR. 15, 1949, WITH COMPARISONS

COMMODITY	UNIT	NORTH CAROLINA		U. S.
		FEB. 15 1949	MAR. 15 1949	MAR. 15 1949
- DOLLARS -				
CORN.....	BU.	1.27	1.28	1.18
WHEAT.....	BU.	2.22	2.24	1.98
OATS.....	BU.	.99	1.06	.70
BARLEY.....	BU.	1.47	1.45	1.06
RYE.....	BU.	2.07	2.07	1.18
SOYBEANS.....	BU.	2.05	2.10	2.12
COWPEAS.....	BU.	4.80	5.10	4.16
PEANUTS.....	LB.	.101	.105	.105
COTTON.....	LB.	.307	.311	.287
COTTONSEED.....	TON	55.00	53.00	51.40
WOOL.....	LB.	.48	.48	.52
HOGS.....	CWT.	18.50	18.60	20.00
BEEF CATTLE.....	CWT.	17.10	18.20	20.50
VEAL CALVES.....	CWT.	23.40	23.40	24.50
SHEEP.....	CWT.	9.70	9.70	10.10
LAMBS.....	CWT.	22.00	23.50	23.60
MILK COWS.....	HEAD	134.00	136.00	189.00
CHICKENS.....	LB.	.27	.29	.30
EGGS.....	DOZ.	.43	.39	.41
MILK, WHOLESALE.....	CWT.	5.50	5.40	4.08
RETAIL.....	QT.	.205	.205	.187
BUTTER.....	LB.	.56	.56	.60
BUTTERFAT.....	LB.	.58	.57	.63
HAY: ALL LOOSE.....	TON	29.10	30.90	20.00
ALL BALED.....	TON	30.40	31.90	25.00
POTATOES.....	BU.	2.00	2.10	1.74
SWEET POTATOES.....	BU.	2.35	2.40	2.54
APPLES COMMERCIAL.....	BU.	2.50	3.00	3.07
LESPEDEZA SEED.....	CWT.	11.60	11.70	9.06
KOREAN.....	CWT.	9.10	9.10	-
KOBE.....	CWT.	13.50	13.70	-
COM. & TENN. 76.....	CWT.	19.00	19.00	-
SERICEA.....	CWT.	20.00	21.00	-



## FEED PRICES CONTINUE TO DECLINE

Prices which North Carolina farmers paid for protein and grain by-products feeds, with the exception of 16 percent dairy feed, declined as of mid-March. The decline in prices paid for feeds has been rather uniform for the past three months. No reported feed price declined more than 10 cents during the month. As of February 15, the decline of any single feed did not exceed 15 cents.

Bran, corn meal, 18 and 20 percent mixed dairy feeds, and laying mash decreased five cents during the month ended March 15. All other items listed in the table below decreased 10 cents per hundred weight.

Average U. S. feed prices paid by farmers did not follow the same trend as prices paid by North Carolina farmers. U. S. prices paid for bran, middlings, corn meal, and scratch grain increased slightly.

FEED PRICES PAID BY FARMERS MAR. 15, 1949 WITH COMPARISONS

FEED PER HUNDRED WEIGHT	NORTH CAROLINA		UNITED STATES	
	FEB. 15 1949	MAR. 15 1949	FEB. 15 1949	MAR. 15 1949
- DOLLARS -				
BRAN.....	3.55	3.50	3.02	3.15
MIDDINGS.....	3.70	3.60	3.12	3.25
CORN MEAL.....	4.55	4.50	3.33	3.36
COTTONSEED MEAL.....	3.45	3.35	3.98	3.89
MIXED DAIRY FEED:				
16% PROTEIN.....	3.60	3.60	3.62	3.59
18% PROTEIN.....	3.90	3.85	3.79	3.76
20% PROTEIN.....	3.95	3.90	3.87	3.84
LAYING MASH.....	4.85	4.80	4.45	4.45
SCRATCH GRAIN.....	4.40	4.30	3.93	3.98
MEAT SCRAP.....	6.40	6.30	6.10	6.04

## TURKEY PRICES HIGHER IN 1948

During 1948 N. C. turkey producers received an average price of 45.4 cents per pound liveweight for all turkeys sold. This was approximately 6.3 cents higher than the average price per pound for 1947. The total cash receipts from the sale of turkeys in N. C. amounted to 2,601,000 for 1948 which was approximately \$200,000 above the total cash receipts for 1947.

Although the price for turkeys reached a record high in 1948, the number of turkeys produced amounted to only 357,000 birds as compared to a total of 376,000 birds in 1947. The turkey-feed price relationship was less favorable during January and February of 1948 than during those months in 1947, but, as the season advanced, the ratio became very favorable for turkey production.

The number of turkeys consumed on farms was considerably less for 1948 due to the very favorable market prices.

The death loss of poults in 1948 was the lowest in several years. Weather conditions were generally favorable for turkey production and farmers took better care of their flocks because turkey prices were high and prospects were favorable for larger profits.

The number of breeder hens on farms in North Carolina on January 1, 1949, amounted to 42,000 as compared to 32,000 for the same date in 1947 which from all indications points to a very favorable outlook for turkey production in 1949.

## MEAT ANIMAL PRICES DECLINE

Prices of most meat animals in the United States continued to decline in the first part of February and were far below the peaks of last summer. Prices of hogs were as low as any time since the end of OPA controls in October 1946.

and prices of the better grades of steers were the lowest in about 2 years. Only later in the month did meat-animal prices show a tendency to stabilize.

The decline in prices during the fall and early winter was partly a result of seasonal increases in meat supplies. It apparently was also a readjustment from the unusually high prices of last summer in relation to consumer's incomes. However, more recently meat production has decreased seasonally, and the continued weakness in prices may reflect the moderate slackening occurring in industrial employment and incomes. Demand for meat and prices of meat and meat animals have always been sensitive to changes in business activity and employment.

Meat production is decreasing seasonally, and total production to date in the first quarter has been about the same as at the same time last year. Beginning in the second quarter of 1949, when hogs will first be marketed in volume from the larger fall pig crop of last year, meat output is expected to exceed corresponding months of 1948. Production for the year probably will be slightly larger than the 1948 total, and consumption per capita for the growing population will be about the same as the 146 pounds consumed in 1948.

This year there will be more beef of the better grades that come from grain-fed cattle, and more pork, but less of other kinds of meat.

## YEAR-AROUND COMMERCIAL BROILER PRODUCTION

The tremendous growth of year-around commercial broiler production since the late 1920's has not only resulted in an increasingly larger share of the Nation's total chicken supplies coming from this source, but it has also had a marked effect on the relative composition of cold-storage holdings of chickens. Total average quantities of hens and chickens held in storage have tended to increase since 1926. However, holdings in relation to production have remained relatively constant in about the 4-6 percent range.

The year-around nature of commercial broiler production has reduced the need for storing smaller young chickens. To some extent, it has also shifted consumption from heavier young chickens to fryers. The opportunity for expanded specialized production of young chickens has arisen in part from the increasing rate of lay in farm flocks, which has made it possible to produce the Nation's egg supply with relatively fewer layers. This in turn has meant that it is necessary to raise relatively fewer farm chickens for flock replacement purposes. Hence, relatively fewer farm chickens and more commercial broilers are marketed than formerly.

## FOOD CONSUMPTION TO REMAIN HIGH

Civilian per capita consumption of food in the United States this year is expected to continue at about the 1948 level which was 12 percent above the pre-war average. Retail food prices are likely to average somewhat lower in 1949 than in the past year when they set a new high. No sharp decline is anticipated.

Somewhat larger supplies of livestock products will be available than in 1948 with the increases coming in the latter part of the year. More pork will be available for consumption in 1949 but less of the other meats. Poultry consumption in 1949 will average about the same as 1948, for the year as a whole, with smaller supplies during the first half of the year offset by larger supplies later in the year. Consumption of eggs and of the major dairy products also will be about the same as in the year 1948. More fats and oils will be available because of the record output of vegetable oils in 1948-49.

Civilian consumption per capita of butter, cereal products, dried fruits, potatoes and sweetpotatoes is expected to continue this year below the average for 1935-39.



## FARM REPORT

Released By The  
UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Agricultural Economics  
W. F. Callander, Assistant Chief  
and published by the  
NORTH CAROLINA DEPARTMENT OF AGRICULTURE  
Division of Statistics  
L.Y. Ballentine, Commissioner of Agriculture

Issued Semi-Monthly Through The  
Crop Reporting Service at Raleigh  
Frank Parker, Statistician in Charge

PRIMARILY FOR DISTRIBUTION TO  
CROP REPORTERS AND AGRICULTURAL LEADERS

INFORMATION DIRECT FROM FARMERS  
AND OTHER LOCAL SOURCES

UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Agricultural Economics  
Raleigh, N. C.

OFFICIAL BUSINESS

FORM BAE-3-49-9,000

PERMIT No. 1001

PENALTY FOR PRIVATE USE TO AVOID  
PAYMENT OF POSTAGE \$300  
(PMGC)

U. S. DEPT. OF AGRICULTURE LIBRARY  
WASHINGTON 25, D. C.

APRIL 1949

FARM REPORT

PAGE 4

### RECORD BROILER OPERATIONS

Broiler chick placements in the Chatham and Wilkes Commercial Broiler Areas reached the highest point of record in March. Hatcheries and dealers serving the two areas reported 1,865,000 baby chicks placed with broiler producers during the month, a 25 percent increase over February placements.

In the Chatham Area, placements climbed from 933,000 during February to 1,147,000 during March. The Wilkes Area reported 718,000 chicks placed last month, an increase of 156,000 over February's total.

Combined settings exceeded the previous record set during February by 25 percent. Hatcherymen in the two areas set 3,283,000 eggs during March. The Chatham Area showed a 24 percent gain while the Wilkes Area increased 26 percent. Chicks hatched totaled 2,512,000 for both areas during March, a 37 percent gain over hatchings for February, and the largest number of chicks hatched since records became available. The Chatham Area accounted for 1,492,000 of these and the Wilkes Area produced 1,020,000.

### FARM EMPLOYMENT INCREASING

In the South Atlantic states farm employment during the last full week of February totaled 1,698,000 persons, an increase of 20 percent from the total number of persons working on farms for the comparable weekly period in January. Employment of hired workers showed an increase of 50 percent with total family employment up only 14 percent. Spring work in the South Atlantic states was generally off to an early start and well ahead of the usual schedule in many sections.

Total farm employment throughout the United States during the last full week of February at 8,370,000 persons, was 3 percent less than

during the corresponding week a year earlier, but showed an increase of 13 percent from that of the same weekly period of January.

### POTATO STOCKS REMAIN LARGE

Stocks of merchantable potatoes in the United States held by growers and local dealers in or near the areas where produced remained large on March 1, 1949. However, with an increase in the movement of potatoes into commercial channels and with purchases by the Government under the price support program continuing at a rapid rate, some progress was made during February in reducing the excess supply of merchantable potatoes. Combined grower and dealer stocks of 71,140,000 bushels on March 1, 1949 were 9 percent larger than holdings of 64,990,000 bushels on March 1, 1948, but 5 percent below March 1, 1947 stocks of 75,230,000 bushels.

In the West, March 1 stocks were almost twice as large as the abnormally small holdings of a year earlier and 9 percent larger than two years earlier. This condition can be attributed to the severe winter weather during January and February which caused the movement of potatoes to be delayed.

In the East, stocks were smaller on March 1, 1949 than on that date in either of the past two years. Also in the central states March 1 stocks were 19 percent smaller than a year earlier and 23 percent below March 1, 1947.

For the remaining 37 states "disappearance" during January and February was considerably larger than marketing during the comparable period of 1948. Government purchases were reported at slightly more than 19 million bushels during the past two months, compared with about 5.5 million bushels purchased during January and February 1948.

### USDA BUYING EGGS

USDA began purchasing eggs for price support in January and through February 19 had bought the equivalent of 23 million dozen in dried form. The 35-cent minimum price has been continued through May.

Egg prices have declined along with the seasonal upturn in output. Prices averaged 41.8 cents on February 15, down 5.3 cents from January.

### COTTON PRICES HOLDING UP

Export demand for cotton continues good and domestic mill demand has increased. In February spot prices of cotton averaged nearly as high as for any other month this season.

Entries under Government Loan -- mostly better grade cotton -- have declined to around 70,000 bales per week. In February, it appeared likely that as much as six million bales may be placed under loan this season.

### STRONGER DAIRY PRICES LIKELY

Even though output will increase seasonally, prices of manufactured dairy products are not likely to decline significantly in the first half of 1949 because of: 1. The price support program announced for butter; 2. The purchase program for nonfat dry milk.

Fluid milk prices will decline some in coming months but the premium over prices of manufacturing milk is likely to stay large for awhile.

Exports of feed grain in the first half of 1949 probably will total around 3 million tons compared with 504,000 tons in the first half of 1948.

About 89 million bushels of wheat still need to be procured if 1948-49 exports are to reach 500 million bushels.